

News from the FPPC



California Fair Political Practices Commission
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FPPC Agenda Includes Officeholder Account Regulations

The Fair Political Practices Commission on Friday (January 12) will act on rules to clarify and implement a new law allowing state elected officials to establish separate fundraising accounts to help pay for officeholder expenses. The commission's agenda also includes a number of enforcement cases, preliminary discussion of two other regulatory projects and other items.

The regular monthly meeting begins at 10 a.m. in the FPPC's eighth-floor hearing room at 428 J St. (Fifth and J Streets) in Sacramento.

In September, the Governor signed Senate Bill 145, which amended the Political Reform Act to allow state elected officials to open separate fundraising accounts to help pay for expenses associated with holding office. The new law also places certain restrictions on the accounts, including calendar year contribution limits.

Previously, the Political Reform Act prohibited post-election fundraising other than to pay down net campaign debts.

On Friday, FPPC staff attorneys will propose four new or amended regulations to implement the new law:

- Regulation 18531.62 would provide the basic rules for establishing and maintaining an officeholder account. Among other things, the regulation would restate the new law's prohibitions on using officeholder account funds for campaign contributions or transferring the funds to any state or local campaign committee. In addition, the proposed FPPC regulation would prohibit use of the funds for "election-related expenses."

- Regulation 18531.63 would implement the new law's requirement that officeholders who are campaigning for another state elective office must, for purposes of contribution limits, cumulate officeholder account contributions with contributions to campaign accounts.
- Regulation 18531.64 would provide rules for closing down an officeholder account.
- Amendments to regulation 18544 would implement the new law's requirement that the FPPC adjust the officeholder account contribution limits every two years to reflect increases in the cost of living.

As the new law was adopted as "urgency" legislation and took effect immediately, the proposed regulations are being considered on an "emergency" basis and would take effect immediately. Commission staff attorneys plan to return to the commission later this year with proposed permanent regulations. (See agenda item #11.)

In other business, the commission will hold preliminary discussions on two other proposed regulatory projects. Proposed amendments to regulation 18401 would allow committees, for purposes of record keeping, to retain copies of canceled checks obtained from financial institutions in lieu of retaining the original canceled checks (see agenda item #9). Proposed amendments to regulation 18944.2 would clarify that a gift may still be considered a gift to a government agency even when a donor makes a payment for goods or services directly to a vendor, so long as the agency receives and controls the use of the goods or services (see agenda item #10).

The agenda and supporting memoranda and materials are posted on the FPPC's website at www.fppc.ca.gov. Just click on "Agendas" on the left side of the home page and go to "Current Agenda." The agenda is posted on the website 10 days before the meeting, and letters commenting on agenda items are also posted when received.

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